

EXHIBIT 304

1 UNITED STATES DISTRICT COURT
2 NORTHERN DISTRICT OF OHIO
3 EASTERN DIVISION
4

5 -----) MDL No. 2804

6 IN RE NATIONAL PRESCRIPTION)

7 OPIATE LITIGATION)

8) Case No. 17-md-2804

9 This document relates to:)

10 All Cases)

11 -----) Hon. Dan A. Polster

12

13 HIGHLY CONFIDENTIAL

14 SUBJECT TO FURTHER CONFIDENTIALITY REVIEW

15

16 The videotaped deposition of MARY WOODS,
17 called for examination, taken pursuant to the Federal
18 Rules of Civil Procedure of the United States District
19 Courts pertaining to the taking of depositions, taken
20 before JULIANA F. ZAJICEK, a Registered Professional
21 Reporter and a Certified Shorthand Reporter, at Lief
22 Cabraser Heimann & Bernstein, 8th Floor, 250 Hudson
23 Street, New York, New York, on January 10, 2019, at
24 9:10 a.m.

1 that had pended in the suspicious order monitoring
2 system?

3 A. Well, so to the best of my recollection, I
4 mean, that was a significant amount of their time
5 during the day, because they were in that role all day
6 long as orders would come in and pend and they would
7 have to evaluate and review those orders and so that
8 was a primary part of their role.

9 Q. We had talked about -- we had talked about
10 this yesterday, and I just want to make sure I'm clear
11 on the context of it.

12 The suspicious order monitoring system at
13 Actavis and at Watson when you worked there as well,
14 had -- it was applicable to all controlled substances,
15 is that right?

16 A. That is correct.

17 Q. And I asked that because the case that we
18 are talking about here relates to substances that were
19 on Schedule II and at some point Schedule III of the
20 suspicious -- or the Controlled Substances Act, but
21 there are five total schedules, is that right?

22 A. That's correct.

23 Q. So when you talk about the --

24 A. The CSA law doesn't specify that you can

1 exclude other drugs from suspicious order monitoring.

2 Q. Did you ever do an examination while you
3 were at Actavis, Inc. or Watson of about how much the
4 license master or customer master staff, how much of
5 their time was spent working on Schedule II controlled
6 substances that Watson or Actavis manufactured?

7 A. We -- we didn't separate out how much time
8 was for C-IIs versus all of the controlleds because
9 they all pended if it's -- you know, they are all
10 under the Act, so we didn't separate out just opioids
11 versus -- or C-IIs versus C-II through V.

12 Q. Do you remember whether there was ever a
13 time when you worked at Actavis or Watson that the
14 conditions for an order to pend were different for
15 C-II drugs than they were for C-III through V?

16 A. Yes.

17 Q. All right. And when was that?

18 A. So that was controlled by our controlled
19 substance compliance team --

20 Q. Uh-huh.

21 A. -- and they could have made changes to
22 that at any time they felt that there was the need to
23 make that change, and they did that. I can't recall
24 the exact timeframe of that. They were very diligent

1 about making those changes. I -- I don't want to give
2 a timeframe because I -- I really don't know the exact
3 timeframe, but it was reviewed frequently and they
4 would make the changes as necessary.

5 Q. As you think of it, did that change take
6 place while you were in New Jersey or in California?

7 A. It took -- it happened when I was in both
8 locations.

9 Q. All right. Did it happen -- well, I guess
10 it did happen more than once then?

11 A. Yes.

12 Q. All right. Do you remember about how many
13 times it happened?

14 A. I can't recall the number of times it
15 happened.

16 Q. So as you think of it, who would be the
17 person most responsible for the issues that we're
18 talking about now deciding the -- the level for which
19 a order would pend on various schedules of the
20 Controlled Substance Act?

21 A. I'm -- I'm sorry. What do you mean by
22 "issues"?

23 Q. Oh, so you had said that the controlled
24 substance compliance team --

1 A. Uh-huh.

2 Q. -- at Actavis and Watson made changes to
3 the level at which an order would pend on the
4 suspicious order monitoring system depending on which
5 schedule it was under the Controlled Substance Act?

6 A. Correct.

7 Q. So who would be most responsible for that
8 issue?

9 A. For that activity?

10 Q. Yes.

11 A. So, the controlled substance compliance
12 team would make a determination on how to -- you know,
13 on what changes needed to be made, and it was the
14 controlled substance compliance team that could go in
15 and make those changes.

16 Q. And who on the team, as you think of it,
17 was most responsible for that?

18 A. So, Tom Napoli at that -- at that time --

19 Q. Okay.

20 A. -- would be able to do that or -- and
21 Tracey Hernandez's time when she was here, they would
22 be able to make those changes.

23 Q. Okay.

24 A. Or give direction to make those changes.

1 Q. Do you remember the first time the --
2 okay.

3 Do you remember the first time the level
4 at which an order pended on the suspicious order
5 monitoring system was modified based on the drug's
6 placement on a -- a Controlled Substance Act schedule?

7 A. I -- I really couldn't remember the first
8 time.

9 Q. All right.
10 All right. So we are going to go through
11 some documents, as we did yesterday.

12 A. Okay.

13 Q. Oh, so, all right. You had mentioned
14 earlier that there is a -- this order management
15 group --

16 A. Uh-huh.

17 Q. -- as well, right?

18 A. Correct.

19 Q. And you had mentioned that -- the term
20 "VMI"?

21 A. Vendor managed inventory.

22 Q. Yeah.

23 What does vendor managed inventory mean to
24 you?

1 A. So, vendor managed inventory is a process
2 in which you have the ability to work with a vendor to
3 help them manage their inventory. Most of the time
4 you are using their systems. In the case of Walmart,
5 we used their systems and we helped to review their
6 inventory with them and they would make us go into
7 Retail Link and review their systems, make sure they
8 didn't have outs and things like that.

9 Q. With regard to any -- any shipments or
10 orders that were made through any VMI system at
11 Actavis or Watson, do you know whether those orders
12 would have been monitored by the suspicious order
13 monitoring program at Actavis or Watson?

14 A. Every single order would have gone
15 through --

16 Q. All right.

17 A. -- our system.

18 Q. All right. I'm going to hand you what
19 we'll mark as Exhibit 30 for this deposition.

20 (WHEREUPON, a certain document was
21 marked Allergan - Woods Deposition
22 Exhibit No. 30, for identification,
23 as of 01/10/2019.)

24 BY MR. EGLER:

1 Q. Because of the physical setup, I'm going
2 to hand you two copies, one for your counsel.

3 A. Okay. Sure.

4 Q. And, Ms. Woods, could you look at what
5 I've marked as Exhibit 30, and as you are looking at
6 it, I'll read into the record its Bates stamps are
7 Allergan_MDL_02166476 and 477.

8 And when you are ready, can you tell me
9 what this appears to you to be?

10 A. Sure. Let me just read this.

11 Q. Yeah.

12 A. Okay. I've read it.

13 Q. All right. What does this appear to you
14 to be?

15 A. So Tracey Hernandez headed up the DEA
16 compliance team. This appears to me that she is
17 stating filings for the DEA suspicious orders should
18 go through her team.

19 Q. Does this seem to be a -- an e-mail chain
20 among you and other people at Watson Pharma, Inc.?

21 A. Correct.

22 Q. And the date on the e-mails is January and
23 February of 2004, is that right?

24 A. Yes, that is correct.

1 Q. So about 15 years ago at this point, is
2 that right?

3 A. Yes, correct.

4 Q. So for the e-mails that appear on here,
5 there is a name Tracey Hernandez who we have discussed
6 a little bit earlier and a woman named Christine
7 Marino.

8 Do you see her name right there?

9 A. Yes, I do.

10 Q. Who is Christine Marino?

11 A. Christine Marino was a supervisor of
12 customer service and she was also a representative. I
13 don't know which position at this time.

14 Q. When you say "representative," what does
15 that mean?

16 A. A customer service representative.

17 Q. All right. And then there is another name
18 there, Eileen Mesis, M-e-s-i-s?

19 A. Correct. She was a manager of customer
20 service.

21 Q. All right. And then Judy Callahan. Who
22 is Judy Callahan?

23 A. Judy Callahan was a -- a manager of
24 customer service at this time.

1 Q. And in the first e-mail in time on this
2 exhibit, which is at the bottom of the second page,
3 it's a Ms. Marino -- or Ms. Hernandez writing to
4 Ms. Marino and Ms. Callahan:

5 "Chris/Judy, Can you please tell me who at
6 DEA you have on record to send these reports to if you
7 ever need to?"

8 And Ms. Hernandez replies: "I have not
9 had to forward suspicious reports. You may want to
10 cover this with Mary Woods."

11 And then you respond on the first page --

12 A. Uh-huh.

13 Q. "We have never needed to file a report.
14 Any time there was a question during the order process
15 of a suspicious order quantity, we went," and then in
16 parentheses, "(and still follow the same
17 procedure)," and then close parentheses, "back to a
18 customer to let them know we would need to notify the
19 DEA due to the quantity they wanted to order. In
20 response, they either reduced the quantity or
21 cancelled the order."

22 Do you see that there?

23 A. Yes, I do.

24 Q. And then you -- you go on:

1 "Most all customers understand the issues
2 and do not want to bring attention to these large
3 purchases."

4 So at this time in January of 2004, do you
5 remember whether it was an official policy of Watson
6 Pharma to allow customers to reduce quantities in
7 order to avoid having to file a -- a DEA suspicious
8 order report?

9 A. I absolutely do not remember from 2004.

10 Q. All right. So with regard to this
11 response that you give on this e-mail, do you
12 remember -- as you sit here today, do you remember
13 writing this e-mail?

14 A. Not from 2004.

15 Q. Right. With that understanding, it's
16 15 years ago.

17 Do you have an understanding about whether
18 it was the case that you and people you worked with
19 would allow customers to reduce the quantity of orders
20 that had pended in a system in order to avoid filing a
21 suspicious order report with the DEA?

22 A. Nobody would have ever done it with any
23 intention to avoid filing a report with the DEA. If
24 the customer would have come to us and said, you know,

1 reduce the quantity, I don't -- I can't recollect
2 from, you know, 15 years ago --

3 Q. Right.

4 A. -- what the policy would have been or the
5 justification from 15 years ago.

6 Q. But in the e-mail you wrote, they either
7 cancelled the order or reduced the amount --

8 A. Yes, I did.

9 Q. -- is that right?

10 So do you have any reason to believe it
11 wasn't a regular process to allow customers to reduce
12 their orders at that time?

13 A. I -- I can't respond to what happened
14 15 years ago. I'd have to have more information.

15 Q. As you sit here today, you don't have any
16 reason to believe that that wasn't the case, right?

17 A. I don't have any be -- reason to believe
18 it was or wasn't. I don't know.

19 Q. Well, you -- you wrote it at the time,
20 right, in 2004?

21 A. I probably wrote a lot of things at the
22 time that I probably can't recollect.

23 Q. Would you have written something that you
24 didn't believe was true at the time in 2004?

1 A. I wouldn't write something I didn't
2 believe was true at that point in time for that
3 e-mail.

4 Q. So you must have believed that that was
5 actually the case, that customers would have
6 reduced --

7 A. For this incident.

8 MS. LEVY: Hang on a second. Let him finish his
9 question.

10 BY MR. EGLER:

11 Q. Customers would have been able to reduce
12 their order in order to avoid a DEA report being
13 filed, is that right?

14 A. I'm reading what's in the e-mail. That's
15 the best I can respond to it.

16 Q. All right.

17 All right. You can set this document
18 aside.

19 (WHEREUPON, a certain document was
20 marked Allergan - Woods Deposition
21 Exhibit No. 31, for identification,
22 as of 01/10/2019.)

23 BY MR. EGLER:

24 Q. So I'll hand you what we'll mark as

1 Exhibit 31.

2 Again, there is two -- two copies there.

3 A. Sure.

4 Q. And can you look through what I've marked
5 as Exhibit 31? And as you are looking through it,
6 I'll read on the record, it's Bates numbered
7 Allergan_MDL_02187196 through 87199.

8 And when you are ready, can you tell me
9 what this appears to you to be?

10 A. Okay.

11 Q. All right. Ms. Woods, what does this
12 appear to you to be?

13 A. This was an e-mail that we were -- that I
14 sent to Andy Boyer, who is the VP of our sales and
15 marketing team.

16 Q. The e-mail is dated October 4th, 2011, is
17 this right?

18 A. That is correct.

19 Q. And at this point you were still working
20 in Corona, California, is that right?

21 A. That is correct.

22 Q. And still working for Watson still?

23 A. Correct.

24 Q. I don't know if we've raised his name

1 earlier, but, again, who is Andy Boyer?

2 A. I believe at this time he was a vice
3 president of sales and marketing. I believe that was
4 his title.

5 Q. All right. And he was at Watson, is that
6 right?

7 A. Yes, that is correct.

8 Q. Below his name is the name
9 Judith Callahan.

10 Do you know who Ms. Callahan is?

11 A. Yes. Judy was the -- she -- I'm not sure
12 her title at the time, but she worked on my team.

13 Q. Okay. At this time, 2011, late 2011, what
14 was your team at Watson?

15 A. My team at Watson was customer service and
16 it would have also included order processing and
17 master data and -- order processing, master data,
18 licensing.

19 Q. Okay.

20 A. And I think we would have had a small
21 group called account management which was a customer
22 service group that handled orders for, like, contract
23 manufacturing customers.

24 Q. As you think of it, around this time in

1 2011, were you responsible for anybody with, as you
2 had said before, inside sales responsibilities?

3 A. No.

4 Q. And were you responsible at this time for
5 anybody with any sales responsibilities as you think
6 of it?

7 A. No.

8 Q. So with regard to the people that you
9 managed and yourself around this time, you didn't
10 have, as you think of it, any sales responsibilities?

11 A. No, I did not.

12 Q. And Mr. Boyer, he did have sales
13 responsibilities, is that right?

14 A. The national -- to the best of my
15 recollection, the national account managers reported
16 into him or indirectly reported in to him.

17 Q. And then Ms. Callahan, did she have sales
18 responsibilities?

19 A. No.

20 Q. Oh, and she worked for you, is that
21 correct?

22 A. That's correct.

23 Q. All right. So do you remember -- do you
24 remember this particular e-mail that I've marked --

1 A. I do.

2 Q. -- as Exhibit 31?

3 Can you tell me what you remember about
4 it?

5 A. I remember that -- I remember the
6 communication with our DEA affairs and compliance team
7 specifically regarding Top Rx.

8 Q. Okay. And what was Top Rx?

9 A. To the best of my knowledge, Top Rx was a
10 distributor.

11 Q. All right. So do you remember ever
12 meeting anyone from Top Rx in the course of your work?

13 A. I do not personally remember meeting
14 somebody in person from Top Rx.

15 Q. Do you remember whether there was ever a
16 meeting with anyone from Top Rx at the Corona site at
17 Watson at any time?

18 A. At our Corona site?

19 Q. Yes.

20 A. I -- I couldn't remember that.

21 Q. All right. Do you remember -- all right.

22 So in the e-mail that appears earlier in
23 time, at the bottom of this first page of Exhibit 31,
24 there is a name Lisa Scott.

1 Do you see that there?

2 A. Yes, I do.

3 Q. And who is Lisa Scott?

4 A. She worked on Tom Napoli's team as a
5 security and compliance auditor.

6 Q. All right. And so the Tom Napoli's team,
7 is that the controlled substance compliance team that
8 we were talking about before?

9 A. Yes, you are correct.

10 Q. So, going back up to the top of the page,
11 you write to Mr. Boyer:

12 "Andy, I need to meet with you, and most
13 likely, Allan and Tony at the same time, to discuss
14 the results of the Top Rx investigation."

15 A. Uh-huh.

16 Q. "We can make some decisions during this
17 call."

18 A. Um-hum.

19 Q. Who are Tony and Allan that you refer to
20 in this?

21 A. Allan was the head of national sales and
22 Tony was the representative that handled Top Rx to the
23 best of my recollection.

24 Q. Do you remember their last names?